

**September 25, 2014**

**Judge Steven W. Rhodes  
U.S. Bankruptcy Court for the Eastern District of Michigan  
Southern Division  
211 W. Fort St., Suite 1800  
Detroit, Michigan 48226  
Courtroom 1825**

**Re: Detroit Bankruptcy and Grand Bargain**

**I have serious concerns about the Grand Bargain and I would feel remiss if I did not share them with you. The Grand Bargain seems to be more concerned with saving the DIA then saving Detroit. I am not disputing whether the Detroit Institute of Art is a positive force in the city of Detroit and it could continue to be so in the future. What I am questioning is whether it is the best utilization of the \$10 billion plus assets owned by the city stored at the DIA.**

**I have been following the trial via twitter feed provided by the Detroit Free Press. Here is what a Detroit Free Press reporter, Brent Snavelly, said Thursday, September 18, 2014 in the daily blog relating to the Detroit bankruptcy court proceedings.**

**"It's possible here that McCarthy (FGIC attorney Ed McCarthy, of Weil, Gotshal & Manges) has established, definitively, that city owns the DIA right now. But the real question is if creditors can force the city to sell the art as part of Chapter 9 bankruptcy when city does not want to do that and most other creditors are now on board with that plan." by bsnavelly**

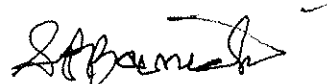
**If the city indeed owns all the art it seems foolish for the city to give away \$10 billion in art and in return to get only \$880 million paid over 20 years which in present value terms results in about \$500 million.**

**This seems especially true if what Jones Day wrote in a white paper in August 2010 that**

**"a municipality does not need the approval of the bankruptcy court to use, sell, or lease property during its chapter 9 case. By contrast, nonmunicipal debtors need court approval to take any action outside the ordinary course of business, such as selling assets or buying significant items." <http://lstrn.us/1jdPdIn>**

**I sincerely believe you are searching for the right answers and will come up with the best decision for the city.**

**Sincerely,**



**Stephen P. Banicki**